

RESOLUTION NO. 2920, AS AMENDED

A RESOLUTION of the Port Commission of the Port of Seattle, approving Resolution No. 36, <sup>As Amended,</sup> of the Board of Directors of the Industrial Development Corporation of the Port of Seattle adopted on February 14, 1984.

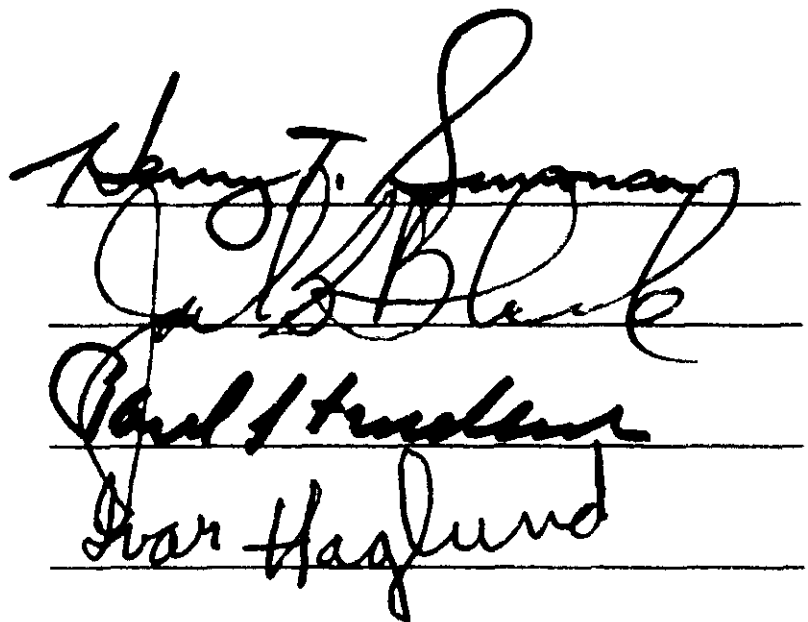
WHEREAS, the Board of Directors of the Industrial Development Corporation of the Port of Seattle (the "Development Corporation") at a special meeting on February 14, 1984 adopted Resolution No. 36, <sup>As Amended,</sup> stating the intent of the Development Corporation to issue approximately ~~\$19,200,000~~ <sup>\$24,000,000</sup> of industrial revenue bonds for the benefit of Alaska Airlines, Inc.;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle, as follows:

Section 1. Resolution No. 36, <sup>As Amended,</sup> of the Board of Directors of the Industrial Development Corporation of the Port of Seattle, a copy of which is attached hereto, identified as Exhibit A, and incorporated in full by this reference is hereby approved.

Section 2. This resolution shall take effect immediately from and after its adoption.

Adopted by the Port Commission of the Port of Seattle this 14th day of February, 1984, and duly authenticated in open session by the signatures of the Commissioners voting and the seal of the Commission duly affixed.



Port Commissioners

[PORT SEAL]

RESOLUTION NO. 36, AS AMENDED

A RESOLUTION of the Board of Directors of the Industrial Development Corporation of the Port of Seattle approving an amendment to the application of Alaska Airlines, Inc. and taking official action with respect to the issuance of additional non-recourse revenue bonds up to an aggregate amount of \$24,000,000 ~~\$19,200,000~~ to provide funds to finance the acquisition, construction and installation of training facilities and an aircraft maintenance hangar by Alaska Airlines, Inc.

WHEREAS, pursuant to Chapter 300, Laws of Washington 1981, codified as Chapter 39.84 RCW, as amended (the "Act"), Resolution No. 2845 (the "Resolution") of the Port of Seattle (the "Port") and the Charter of the Industrial Development Corporation of the Port of Seattle (the "Development Corporation"), the Development Corporation is authorized to issue its nonrecourse revenue bonds to finance industrial development facilities (as defined in the Act) under the conditions and limitations set forth in the Act; and

WHEREAS, the Board of Directors of the Development Corporation adopted Resolution No. 32 on September 13, 1983 stating the intent of the Development Corporation to issue approximately \$6,400,000 of industrial revenue bonds to finance the acquisition, construction and installation of a site and Boeing 727 flight training simulator (the "Training Facilities") by Alaska Airlines, Inc., an Alaska corporation (the "Company"); and

WHEREAS, the Company has submitted an amended application to the Development Corporation, revising the cost of the Training Facilities and proposing to undertake an additional project consisting of the acquisition, construction and installation of a new aircraft maintenance hangar (the "Hangar Facilities"), (which Training Facilities and Hangar Facilities are fully described in Exhibit 1 hereto and are collectively referred to herein as the "Projects"), within the boundaries of the Port, which Projects constitute industrial development facilities under the Act; and

WHEREAS, the Company by its amended application to the Development Corporation has requested the issuance by the Development Corporation of its nonrecourse revenue bonds in aggregate principal amount of ~~\$19,200,000~~ <sup>\$24,000,000</sup> and has delivered its executed Indemnification and Compensation Agreement along with said amended application; and

WHEREAS, the Board of Directors of the Development Corporation deems it advisable for the Development Corporation (i) to issue its nonrecourse revenue bonds (the "Bonds") for the purpose of financing costs of the Projects and (ii) to enter into contracts and agreements with the Company whereunder the Company will provide money sufficient to pay the principal of, premium, if any, and interest on such Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE PORT OF SEATTLE, as follows:

Section 1. It is hereby determined that (a) the acquisition, construction and installation of the Projects and their operation as industrial development facilities; (b) the issuance of up to ~~\$19,200,000~~ <sup>\$24,000,000</sup> principal amount of the Bonds of the Development Corporation to finance a portion of the costs of the Projects, including the Training Facilities approved by said Resolution No. 32, such aggregate costs presently estimated to be approximately \$24,000,000 and (c) the execution and delivery of such contracts and agreements with the Company as are necessary to provide for the payment by the Company of amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds, together with certain costs of the Development Corporation, will all be in furtherance of the Act, the Resolution and the Charter of the Development Corporation.

Section 2. The Development Corporation presently intends to authorize the issuance and sale of the Bonds pursuant to the provisions of the Act when and if requested to do so by the Company and hereby expresses its present approval of such issuance

and sale. The Board hereby further confirms its intention to issue Bonds for financing the Training Facilities approved by Resolution No. 32. This resolution is not intended to legally bind the Development Corporation to authorize, issue or sell the Bonds.

Section 3. The authorization, issuance and sale of the Bonds by the Development Corporation contained herein are subject to the following conditions:

(a) The Bonds shall be payable solely from money received from and security provided by the Company;

(b) The Company shall enter into such contracts and agreements with the Development Corporation as shall be necessary to secure payment of the principal of, premium, if any, and interest on the Bonds as and when the same shall become due and payable;

(c) On or before two (2) years from date hereof (or such later date as shall be mutually satisfactory to the Development Corporation and the Company) the Development Corporation and the Company shall have agreed to mutually acceptable terms and conditions of the contracts and agreements referred to in Paragraph (b) of this section;

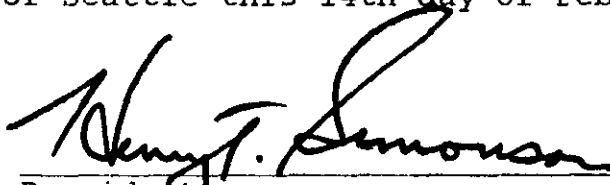
(d) The Projects are determined to be consistent with policies and objectives of the Port of Seattle;

(e) The Development Corporation shall have received a preliminary opinion of the Development Corporation's Bond Counsel that the Bonds may be issued as tax-exempt obligations pursuant to the provisions of the Internal Revenue Code of 1954, as amended, and applicable regulations thereunder.

Section 4. The proper officials of the Development Corporation are hereby authorized to take such further action as is necessary to carry out the intent and purposes hereof and to issue the Bonds upon the terms and conditions and for the purposes stated herein and in compliance with applicable provisions of law.

Section 5. It is intended that, as to the additional Training Facilities and the Hangar Facilities to be financed from the proceeds of the Bonds, this resolution shall constitute an official action of the Development Corporation, including, without limitation, the "other similar official action" referred to in Paragraph 1.103-8(a)(5)(ii) and (iii) of the federal Income Tax Regulations.

ADOPTED by the Board of Directors of the Industrial Development Corporation of the Port of Seattle this 14th day of February, 1984.

  
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President

ATTEST:

  
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Secretary

[DEVELOPMENT CORPORATION SEAL]

EXHIBIT 1 TO RESOLUTION NO. 36, AS AMENDED

Description of Projects

The Projects consist of Training Facilities and Hangar Facilities.

I. The Training Facilities will require the acquisition of approximately 4-5 acres of land at the northwest corner of 28th Avenue South and South 192nd Street, Seattle, Washington and the design, construction and equipping of a training center thereon. The building will be equipped with a Boeing 727 Flight Simulator, all as approved by Resolution No. 32 of the Development Corporation. The building is anticipated to be 3 or 4 stories in height and contain approximately 50,000 sq. ft. The Training Facilities will be used for the training of flight crews, flight attendants, and ground personnel as well as flight operations, administration, flight control and related functions.

II. The Hangar Facilities will be acquired and constructed on land leased from the Port of Seattle within Jackson International Airport adjacent to the Company's existing hangar. The Hangar Facilities will accommodate three narrow-body or two wide-body aircraft, plus support facilities including shops, stores, offices and related ancillary facilities.

The Projects will require the acquisition and installation of new and existing utilities and other things necessary in connection with the foregoing general description.